



Clark County Treasurer Investment Pool Monthly Report

September 2020

Key Performance Indicators

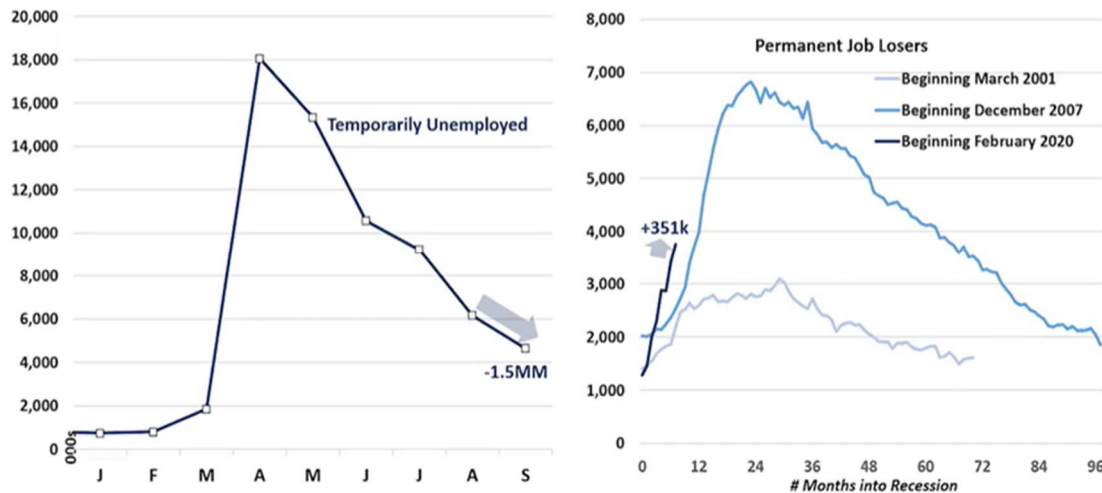
	Sep. 2020	Sep. 2019
County's Book Value Yield	1.30%	2.35%
State LGIP's Book Value Yield	0.21%	2.21%
County's Total Market Return	2.54%	3.06%
Benchmark's Total Market Return	2.25%	3.15%
County's Effective Duration	1.14 yrs.	0.95 yrs.
Benchmark's Duration	0.94 yrs.	1.15 yrs.
Average Maturity	1.48 yrs.	1.50 yrs.
Net Asset Value (N.A.V.)	\$1.012225	\$1.004633
County's Book Value	\$883.0 mm	\$928.2 mm

Current Market Yields

Fed Funds Rate (upper)	0.25%	2.00%
2-year Treasury Note	0.13%	1.62%

- Our economy continued its recovery from the COVID-19 pandemic during September, even though the pace of recovery has certainly slowed.
- Short-term treasury yields continue to be range bound. Even the 10-year treasury yield traded between a narrow range of 0.66% – 0.70% for most of the month.
- September's nonfarm payrolls rose 661k, about 200k less than expected. Private payrolls rose 877k, which was about 25k stronger than expected. September's unemployment rate fell to 7.9% from 8.4% in August. The U6, which is a broader measure of unemployment, dropped from 14.2% to 12.8%.
- September's employment report was mostly positive, providing evidence of a V-shape recovery. Unfortunately, a V-shaped recovery does not preclude a K-shaped recovery, which is where the strength of growth does not mean everyone is making progress at the same rate. Some workers are being left behind, especially in industries like leisure and hospitality, restaurants, and airlines.
- Due to government transfer payments (stimulus checks, increased Medicare and unemployment benefits), August's personal income was higher than it was in February. However, excluding government payments, wage and salary income was down 3.9% from February. Although this is considerably better than the -10.7% decline between February and April, it is still significant and consistent with most severe recessions six months into recovery.

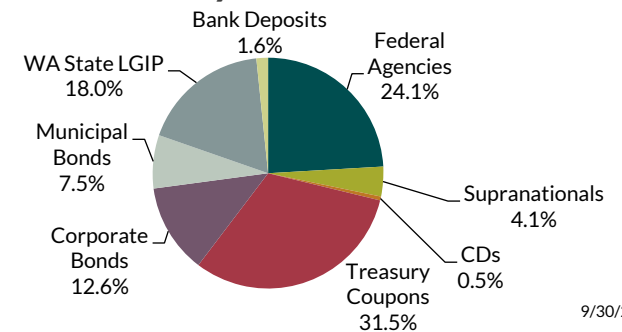
September's Temporarily vs. Permanent Job Loss:



Sources: Bureau of Labor Statistics, Vining Sparks

September's employment report brought mixed news. Currently, there are roughly 4 million people still temporarily unemployed as a result of the pandemic, but this has been steadily decreasing from 18 million in April. However, the chart to the right above shows part of this decline is a result of temporary job losses becoming permanent. Permanent job losses were up 351k in September due to public health measures.

Clark County Investment Pool



Portfolio Summary

	Book Value	Eff Dur	Bench Dur	Benchmark
Clark County Core Invest. Fund	\$689.5 mm	1.41	1.47	ICE BAML 0-3 yr. UST
Clark County Liquidity Fund	\$193.5 mm	0.04	0.09	ICE BAML 3 mon. UST
TOTAL PORTFOLIO	\$883.0 mm	1.14	0.94	ICE BAML 1-year UST